MANAGE CUSTOMER INFORMATION – A REQUIREMENTS CHECKLIST

WHAT IS A REQUIREMENTS CHECKLIST?

A Requirements Checklist is essentially a list of concepts and questions designed to give you a starting point for asking questions about a feature or process covered by a project. You can include your questions in your meeting agenda, bring them with you to cover during an elicitation interview, or incorporate them into a draft deliverable. It doesn't matter how you ask the questions, as long as you get the information you need to discover a clear and complete set of requirements.

Since the more you know about a topic, the more questions you'll have, the Checklists will get you started and help you do your best analytical thinking.

The 18 Requirements Checklists in the [Requirements Discovery Checklist Pack] cover specific process and feature areas that come up over and over again on projects. Each questionnaire is between 5 and 10 pages, depending on the scope of what's covered.

What follows is one of the 18 Checklists – we cover Managing Customer Information.

[Click here to learn more about the Requirements Discovery Checklist Pack]

FEATURE OVERVIEW

Customers are the lifeblood of any organization – being the individuals or entities that provide the revenue you need to cover the costs of providing the services and products you provide. Yet, you might be surprised to learn that the term "customer" can mean something different to the stakeholders throughout your organization, let alone to the customers themselves.

In addition to providing a list of clarifying questions to define what "customer" means in the context of your system, project, or process, this checklist covers the process of setting up new customer records, updating customer records, and considerations for retiring, deleting, or defaulting customer records.

Organizations manage customer records using proprietary or off-the-shelf information systems. These systems provide everyone who comes into contact with a customer access to customer information so that they can do their job effectively. Commonly this stakeholder group includes the customer service team (for providing support), sales team (for upgrades and renewals), the marketing team (for introducing new products and services), the finance team (for collecting payments), and the customer themselves (for updating or placing orders).

Each stakeholder group may have their own repository of customer information and keeping customer information updated across the organization can require a significant investment.

Common Applications

- **Amazon** – You are a customer of Amazon if you buy any product available on the website. (Incidentally, if you buy a book for a friend, you are still the customer and your friend is the *consumer*.)
- **Google** – As a casual searcher, you are not a customer of Google. But if you buy ads or upgrade to premium services, you become a customer of Google. Most of Google's customers are organizations, not individuals.
- **Storefront Retailer** – Once you purchase an item from your favorite retail store (whether that's Best Buy or a mom-and-pop shop), you are a customer. But when you walk in a door? Most likely you'd be considered a potential customer or a lead.
- **Internet Service Provider** – If you subscribe to an internet connection for your home or office, you are an ongoing customer of your Internet Service Provider

until you get frustrated with your service and select to become a customer of a different provider.

- **IT Vendor** – When your organization hires an IT vendor to provide a service, your organization is a customer of the vendor.
- **Government Agency** – As a taxpayer that helps fund a government agency (such as a state, city, county, or national government), you are, technically speaking, their customer.
- **Non-Profit Agency** – In a non-profit setting, the term “customer” is not widely used. Instead there are donors, corporate sponsors, and recipients of services. Information about any of these individuals and organizations could be managed like customer information.

BUSINESS BENEFITS

Customers provide revenue to an organization. Without customers an organization is a charity. (Yet even non-profits can manage the equivalent of customer information by looking at the stakeholders who provide them with the funds necessary to deliver services.)

- **Increased Revenue** – Managing customer information can lead to increased revenue by providing opportunities to market additional products and services to already existing customers. It’s commonly said that it’s much easier to sell more to an existing customer (or keep a customer you already have) than to sell to a new customer.
- **Increased Efficiency** – Managing customer information can lead to increased efficiencies by providing the information needed for more effective customer support.
- **Increase in Value** – No one likes to feel like a number on a spreadsheet. Increasing your effectiveness in managing and applying customer information, such your shipping, style, or color preferences can increase the value you provide to your customers, making it more likely for them to return and buy again and again.

KEY CONCEPTS

Term	Definition
Customer	An individual or organization that provides monetary value (or another form of value) in exchange for a product or service. Often also used to refer to an individual or organization who *may* purchase a product or service or who *has* purchased a product or service in the past.
Buyer	An individual or organization that provides monetary compensation in exchange for a product or service. A buyer is commonly referred to as a customer. For purposes of disambiguation, we use Buyer throughout this and many other checklists to segment out individuals and organizations that are purchasing a product or service.
Customer Record	The collection of information an organization stores about a customer.

REQUIREMENTS QUESTIONS

What Do We Mean By Customer?

While the generic term customer is fairly clear and straight-forward, it's likely that stakeholders throughout your organization have very different notions of what customer means. Here are some questions you can use to clarify the definition of customer.

- ✓ What activity (or activities) indicates that a particular individual or organization is a customer for us? Here are some related questions to consider:
    - Is there a difference between a lead or potential customer and a customer?
    - Do we provide everyone who is a customer with customer service? *See Support Customers*.
- ✓ What activity (or activities) indicates that a particular individual organization is no longer a customer for us? Here are some related questions to consider:
    - Is an organization that recently ended their contract with us still a customer?

    - Is an organization that is past due on their account still a customer?
- ✓ Does the same entity that provides us with revenue also consume our product? Do we need to know who the consumer is? Is our consumer a customer? (For example, when an organization purchases one of our BA courses on behalf of one of their employees, we need to know who the course participant is so that they receive the course materials.)
- ✓ Do any of the following states apply to our customers?
    - Active
    - Inactive
    - Past
    - Delinquent
    - Renewed
    - One-Time
    - Subscribed
- ✓ Is a customer always a buyer?

Analysis Tip

For this exercise, it can be very useful to have ready-at-hand examples of records that represent a wide range of individuals and/or organizations that may be considered customers. Discussing specific examples can take the discussion out of the hypothetical and lead to clarification of precise rules.

How Are Customer Records Created?

- ✓ Who is responsible for creating customer records? Common options include:
    - Salesperson
    - Customer (common in self-service organizations where customers register and make purchases online)
    - Customer Support
    - Marketing Representative
    - Accounting

- ✓ Is there any approval process for creating a customer record?
- ✓ Is another piece of information used to generate a customer record? (A common example would be a lead.)
- ✓ What information is needed to create a customer record? Common options include:
    - Customer Name
    - Customer Billing Address
    - Customer Shipping Address (may need multiple)
    - Customer Phone Number
    - Customer Email Address
    - Contacts (when a customer is an organization, there may be multiple contacts, each with their own name, email address, phone number, etc.)
- ✓ What information about customer preferences is added and maintained? Consider the following examples:
    - Shipping Methods
    - Product Choices
    - Product Configurations *(See Purchase Product or Service.)*
    - Information Views (for example, the reports to show on a dashboard or the number of results to show for search)
    - Price Range
    - Invoice Type
    - Contact Days and/or Times
    - Contact Method (phone, email, etc.)
- ✓ What happens if required information is missing from the customer record or is provided in an invalid format?
- ✓ Does anyone else need to know when a new customer is created? If so, how soon do they need to know? What information do they need? What do they do with the customer information?

How Are Customer Records Updated?

- ✓ Who is responsible for updating customer records?
- ✓ Who can update a customer record?

- ✓ Specifically, can customers update their own records? (For example, Amazon customers create and update their own customer information through their online interface.)
- ✓ What customer information can be updated?
- ✓ What customer information cannot be updated?
- ✓ Does updating any piece of customer information require special authorization? (For example, when you add a new shipping address to your Amazon customer record, you are asked to confirm your credit card number before the address is added. This is to prevent fraud.)
- ✓ When a customer record is updated, what tracking information is recorded? Common options include:
    - Name or ID of person making the update
    - Date and time of the update
    - Fields updated
- ✓ When a field is updated is it necessary to maintain the history? If so, all of the history or a subset of the history?
- ✓ When a customer record is updated, is there an approval process?
- ✓ Does anyone else need to know when a customer record is updated? If so, how soon do they need to know? What information do they need? What do they do with the updated information?
- ✓ Are there any scenarios in which a customer record should be locked from updating?

How Are Customer Records Retired?

- ✓ If and when is a customer record retired?
- ✓ Do any of these states apply to customer records?
    - Past
    - Defaulted
    - Past Due
    - Retired
- ✓ Who is responsible for retiring a customer record? Or, does a business system use a set of rules to retire a customer record?

- ✓ What does it mean to be a retired customer? What is the impact on the customer? On any internal staff who interacts with the customer?
- ✓ Is there a way to convert a retired customer back to an active customer?
- ✓ Do retired customer records need to be accessible in some way?
- ✓ What happens to the other types of information that is linked to a retired customer? Common options include:
    - Sales Transactions
    - Shipping History
    - Customer Service Records
    - Marketing Records
    - Billing History
    - Payment History
- ✓ Is there a time at which a retired customer record would be deleted completely from the business system?

How Is Customer Information Imported into Your Systems?

When multiple business systems are used to manage information related to customers, often information is exported from one system and imported into another. You'll want to refer to the questions above on Creating, Updating, and Deleting Customer Records in the context of the import.

In addition, consider these questions:

- ✓ How are duplicate customer records determined?
- ✓ What happens if there is a duplicate customer record? (Often one business system is considered the system of record and information in the other systems is updated accordingly.)
- ✓ What happens if a required field is missing from a customer record?
- ✓ What happens if the data provided in a field is not valid in the system to which the data is being imported? (For example, one system may accept dates in the 11/11/11 format while another requires them to be in the 11/11/2011 format.
- ✓ Is all of the information being imported customer information? Or are other types of information also required?

See Manage Information.

Analysis Tip

Analyze a sample data file to generate questions specific to your organization's customer information.

Managing Customer Information

Often multiple business systems are used to manage customer information. Customer information may even be managed in spreadsheets and printed documentation.

There can be a significant business benefit to migrating to an architectural model where there is one single source of all customer information that is accessed, updated, and deleted using a consolidated process. Technically speaking, this is relatively simple once it's set up. The challenge is in migrating to a consolidated system in the first place, determining the accurate information for each customer record, and implementing updated business processes to manage customer information in a consolidated way.

It could be an interesting exercise to look at all the financial, marketing, sales, and customer service applications and spreadsheets across your organization and evaluate the current state of your customer information.

Here are some questions that will lead you on your journey:

- ✓ What roles require customer information to perform their assigned activities?
- ✓ What systems do the people in these roles use to do their jobs?
- ✓ Where does this system receive customer information from?
- ✓ Does this system allow customer information to be updated or deleted? And what happens if there is an update or deletion?
- ✓ What reports are generated using customer information?

- ✓ Are any reports used by someone to perform an activity or job function on the basis of this report?
- ✓ Is the customer information in any of the reports updated in any fashion? What happens to these updates?

The Most Important Thing

The customer is not always right, but having the right information about the customer is the right way to run a business.

>>Want the Rest of the Pack?

All in all, the Requirements Discovery Checklist Pack contains over 700 questions categorized and cross-referenced so you can prepare for your next elicitation session with more confidence. The Pack is organized into 18 Checklists covering core business process areas and software features.

Click here to learn more about the Requirements Discovery Checklist Pack

(The Pack will be available to email subscribers at a special discount on September 26, 2013, and released to the public on October 1, 2013.)